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EX PARTE OR LATE FILED



**James K. Smith**  
Director  
Federal Relations

July 15, 1996

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, NW  
Room 222  
Washington, DC 20554

RECEIVED

JUL 15 1996

Federal Communications Commission  
Office of Secretary

Re: **Ex Parte**  
Implementation of the Local Competition Provisions in the  
Telecommunications Act of 1996  
CC Docket No. 96-98

Dear Mr. Caton:

Pursuant to Commission staff request, Ameritech is providing the attached information on access to the Network Interface Device.

Sincerely,

A handwritten signature in dark ink, appearing to read "James K. Smith", written in a cursive style.

Attachment

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## NETWORK INTERFACE DEVICE

In response to Staff's request, this paper has been prepared and is submitted to the Staff to address the matters raised by MCI in its July 12, 1996 ex parte statement regarding access to the Network Interface Device for multi-tenant buildings. Ameritech for years has been facilitating competitors' access to customer premises wire in multi-tenant buildings. Therefore, and notwithstanding MCI's claim to the contrary, it is not appropriate to declare that a Network Interface Device is a network element that must be unbundled in order for new local exchange carriers to have reasonable access to a customer's premises wire. Unbundling of the Network Interface Device is not needed to facilitate facility based competition, would be inefficient, and could create a serious safety hazard. Because MCI's ex parte statement is directed to multi-tenant buildings, that is the context in which this statement is presented.

The term "Network Interface Device" ("NID") is not a reference to a specific type or vintage of equipment, but refers instead to equipment used to connect a service provider's network facilities to deregulated premises wire at an end user's premises as it enters the building. On page 1 of its ex parte statement, MCI states that "[w]hile equipment manufacturers produce different models of NID equipment, the function of all is generally the same, i.e. to connect ILEC loops to inside wire." (emphasis added). This is not

entirely true. The NID can serve as the demarcation point between the customer's premises wire and the provider's network, however, that is not its only function. The other main purpose of a NID is to provide over-voltage (e.g. lightning) protection. A typical NID is a box attached to either the inside or outside of a building, installed with appropriate grounding so that hazardous voltages and currents are safely shunted to the earth.

The diagrams attached to MCI's ex parte statement are inaccurate in that they fail to differentiate between a NID, which provides over-voltage protection and generally the point of demarcation, and a connecting block where terminated customer premises wires may be cross-connected to network services of various providers. MCI also fails to acknowledge that there are current arrangements which permit access to the customer's premises wire by more than one provider.

More accurate depictions of serving arrangements used in multi-tenant buildings are shown as Options 1, 2, 3 and 4 in the attachments. All four options provide an easy and convenient vehicle for an alternative local service provider to connect to the customer's premises wire and provide an efficient vehicle for re-arrangements the customer may request in the future.

In Option 1, three boxes are shown. The box on the left is the Ameritech protector, which serves the grounding function discussed earlier,

and Ameritech's connecting block which serves as its point of demarcation. The box on the right is the alternative service provider's (e.g. MCI) protector and connecting block. The box in the middle represents a connecting block at which the facilities of the providers are connected via "jumpers" to the premises wire of their respective customers. Option 1 currently exists in many multi-tenant buildings served by Ameritech and may be used inside or outside the building.

Option 2 is present primarily in older installations and is always found on the outside of the building. The box on the left again represents Ameritech's protector and connecting block and is physically positioned over the point of entry of the premises wire into the building. And, again, the box on the right represents the alternative carrier's protector and connecting block. The bold PW wire at the bottom of the diagram represents premises wiring which runs from the alternative carrier's connecting block, through Ameritech's enclosure, into the building. This premises wiring serves all customers in the building. With Option 2, Ameritech (or even a third provider) is able to serve individual customers in the building via a "jumper" that connects Ameritech's connecting block (or the third provider's connecting block) with the customer's premises wire at the connecting block of the alternative provider.

In Option 3, the box on the left is Ameritech's connecting block and protector, and the box on the right is the alternative provider's connecting block and protector. Ameritech's NIDs, shown in the middle, are manufactured by KepTel and feature modular connections which allow customers to easily access the NID and test their premises wire when service problems occur. The demarcation point for the alternative provider is located in the box on the right; it may or may not choose to install equipment to provide its customers with modular connections for diagnostic testing of their premises wire. Option 3 is usually located on the inside of a multi-tenant building, but can be located on the outside as well.

With Option 4, the box on the left is Ameritech's protector and connecting block and the box on the right is the alternative provider's protector and connecting block. Option 4 is different from Option 3 in that Ameritech's NID equipment is integrated with the connecting equipment located in the box on the left. This allows customers to test their premises wire and represents Ameritech's current standard terminal/NID combination which is used on new installations.

These four options are used by Ameritech today. Each provides an efficient vehicle for cross-connection of customer premises wire in a competitive environment. Their existence is ample evidence that the Commission need not declare the NID to be a network element in order to

facilitate MCI's ability to provide competitive loops in a multi-tenant building.

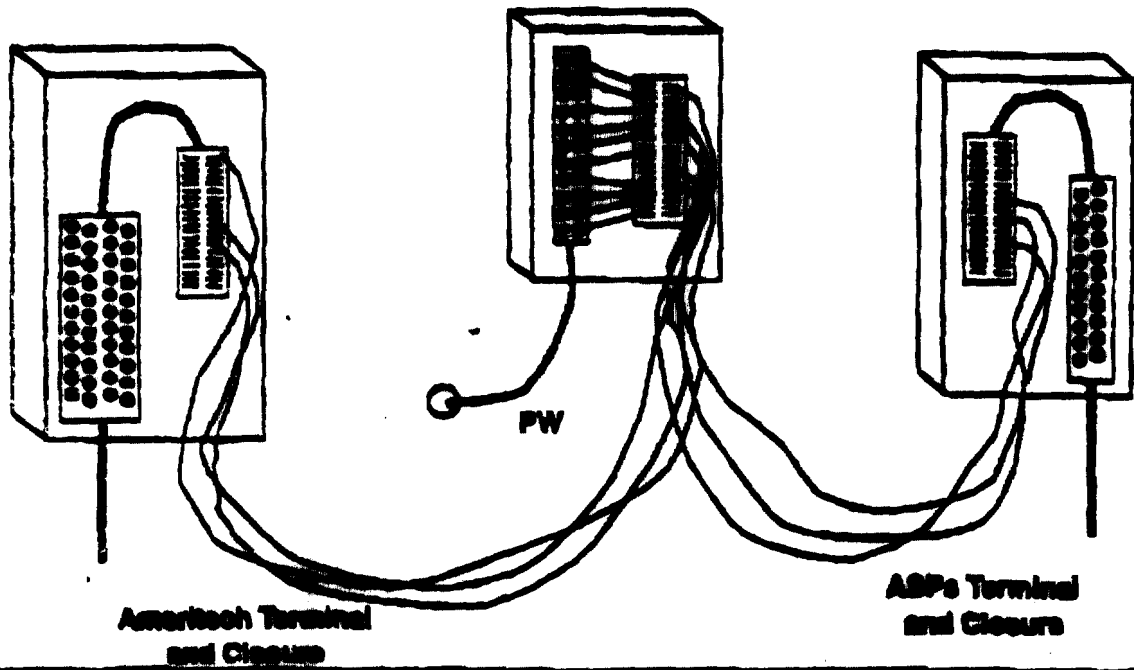
Thus, MCI's claim that "there is no extra wire on the inside wire's side of the network demarcation point that would enable a new entrant to install its own NID" (MCI at 4) is demonstrably false given the current practice of many alternative providers which install their own NID today. MCI's claim that "inside wire is not readily accessible as individual pairs are braided into cable of 25 or more pairs" (*id.*) is false because individual pairs -- whether or not braided further "upstream" -- are accessible as individual pairs at the connecting block. MCI's claims that re-wiring a building with new inside wire is "expensive," "difficult or impractical," "disruptive to building tenants" and hazardous if asbestos is present (*id.*), is disingenuous (if not false) because re-wiring is not necessary given the options described above.

It would appear that the real reason why MCI is asking the Commission to declare the NID as a network element that must be unbundled has nothing to do with MCI having reasonable access to the customer's premises wire. MCI simply does not want to install its own connecting equipment at its own expense. Instead, MCI would prefer to disconnect Ameritech's loop from its connecting equipment, thus leaving Ameritech's loop without over-voltage protection. This would present an unacceptable risk to the safety of persons and property due to the lack of

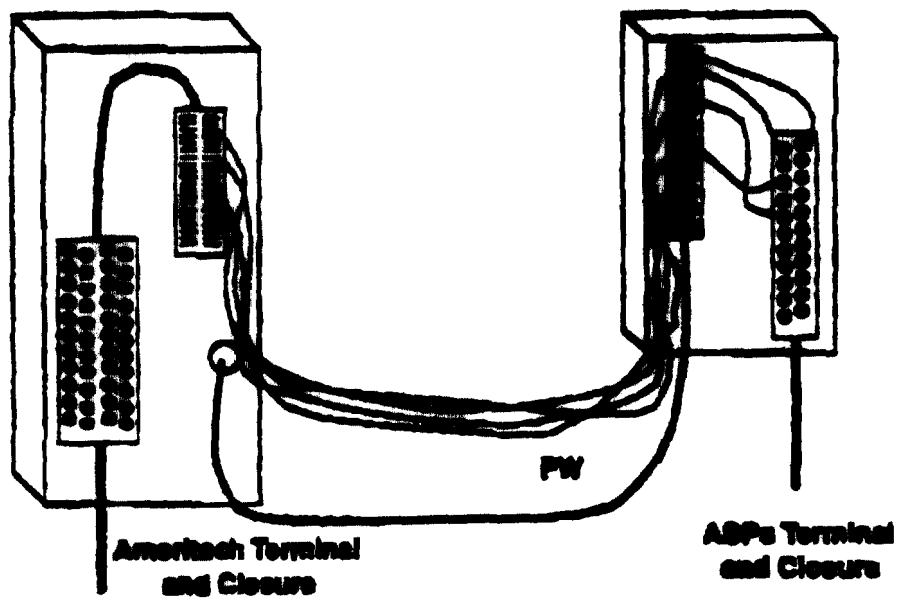
proper electrical grounding that is required by the National Electric Code, the National Electric Safety Code and Part 68 of the Commission's rules. In addition, it would raise complicated questions of legal liability associated with these safety hazards.

In sum: MCI has not demonstrated that the offering of the NID on an unbundled basis is an existing service arrangement that the Commission should compel to be offered as a core network element. Nor has MCI demonstrated that its failure to obtain unbundled NIDs would impair its ability to offer competitive loops, as required by Section 251(d)(2) of the Act.

## 1st Option

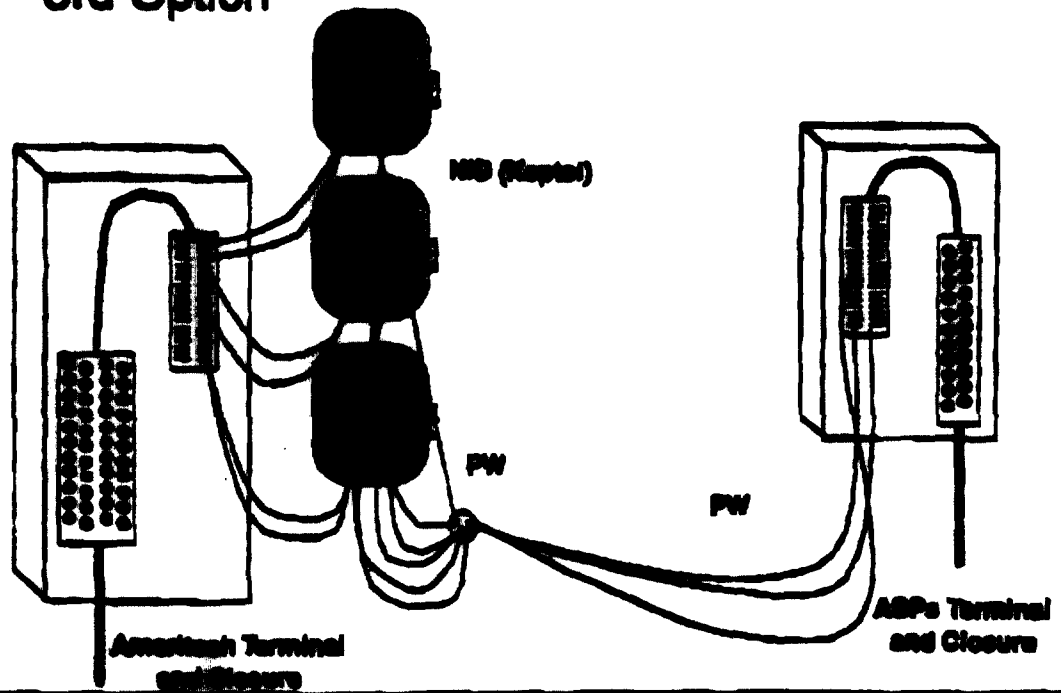


## 2nd Option





### 3rd Option



### 4th Option

